Book Review: Faith and Social Capital After the Debt Crisis

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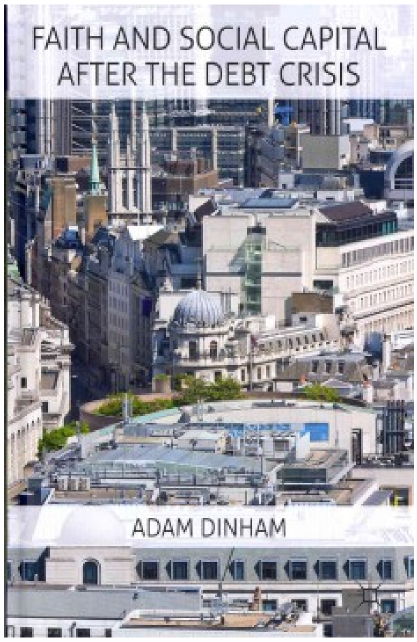
*The founding father of 'social capital', Pierre Bourdieu, said that treating the church as an economic enterprise would lead to uproar, disbelief and the laughter of the bishops. Yet, in the last couple of decades, policy-makers and social scientists have increasingly sought to capitalise on faith by asking whether it produces social capital. In the context of faith-based social action in communities, this book asks what becomes of faiths when they are seen as social capital? **Roger McCormick** notes this book is a stimulating read but finds its political slant leaves out a more substantial analysis of the social capital metaphor and its perceived threat to faith communities.*

Faith and Social Capital after the Debt Crisis. Adam Dinham. Palgrave Macmillan. May 2012.



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Social capital has, the author tells us, long been dominant in social policy for "the liberal elites of Western democracies". It "weds our ideas of the social to our experience of capital". However, this book challenges that dominance. Amongst many criticisms (from linguistic to political), a fundamental one is that the concept is "muddled" because "it emerges out of wholly neo-liberal impulses –to put to economic work anything which can be used — but engages religious ones to its ends". The modern political tendency to "marketise" so many aspects of economic and social activity (and, particularly, to shrink government's role) is condemned throughout.

The author is Reader in Religion and Society at Goldsmiths. As the title suggests, he finds, in the financial crisis (described as the "collapse of capitalism itself"), reasons for arguing that the markets' influence should be reduced especially as regards religious matters and the activities of "faith groups".

Whilst academics may differ about definitional details of social capital, Multilateral Financial Institutions (MFIs) like the World Bank and the Organisation for Economic Cooperation and Development (OECD) give some helpful website indications of how they see social capital and why, MFIs take it seriously. The World Bank tells us that social capital "refers to norms and networks that enable collective action"; it encompasses "institutions, relationships, and customs that shape the quality and quantity of a society's social interactions". The term "social capital" may, in reality, be little more than a convenient, modern label for social phenomena that have existed for centuries but, nevertheless, has substance. Social capital can help a community address common needs, foster greater inclusion and better communications and increase transparency and accountability.

Effective relationships that facilitate common endeavours lie at the concept's heart. The notion that "capital" is involved stems from a recognition that these phenomena have value to society just as credit balances in bank accounts do. MFIs, particularly those concerned with "transition" to market economies, tend to see the presence of strong social capital as being linked to economic development.

Supporters of economic liberalism will generally see merit in the idea of social caiptal as a force for the "good" of assisting with conversion to, or expansion of, a market-based system. The author is not among their number. Although he tells us that he is not against capitalism as such, he is clearly not a cheerleader, seeing as a "key feature of capitalism" the "transfer of wealth, as profit, not only into the hands of smaller and smaller elites of owners, but also away from individuals and towards institutions." He doubts that capitalism can "really cope with being confronted with the stories of the poor as well as the wealthy". He is appalled by the UK coalition government's "wholesale reassertion of free market capitalism" as he sees capitalism's "tentacles" extending "in every direction".

He is especially scathing about the exaggerated importance attached to markets by capitalism and how the "language of capital" is used "to explain more and more things". On several occasions, he complains that "social capital" is a concept that "arises in the context of the overemphasis of the capital and the underemphasis of the social." For him, the language of markets and related concepts does not fit with the idea of faith and faith communities.

The book has a tendency to confuse three lines of argument: that the idea of social capital has had its day; that social capital concepts have no place in explaining faith groups' activities; and that markets play too great a role on the formulation of public policy. Hovering uneasily amongst these issues is what seems to be a point on choice of language: the use of the word "capital" in "social capital."

However, even if this reviewer found the author's arguments do not always flow, the author's case does gradually build momentum. Chapter 1 starts the analysis by lengthy reference to a 2006 study in which he was involved ("Faith as Social Capital") exploring the contribution of faiths to the "public realm", with extracts from case studies in the UK regions. The study "accepted the logic of social capital" but the author comments now, as he looks back, that the findings do not need to be read only through the social capital "lens" which, as he sees it, "first marketizes, then distorts the contribution of religious faith and, in doing so, narrows its canvas of concern."

Chapter 2 examines a 2010 study of faith forums and their relationship with government initiatives. Extensive use is made of unattributed quotes from participants in the study, evidencing reactions against perceived attempts to make faith groups compete for government funding. Chapter 3 then considers how social capital ideas have evolved up to the present day and summarises the views of the main exponents of social capital theory (Bourdieu, Coleman, Putnam and others). Giddens (and the "Third Way") is criticised — with the unfortunate repetition of the same two consecutive paragraphs, *verbatim*, on pages 50 and 100. There is also a summary account of "social capital as public policy". Chapter 4, surveys various criticisms that have been made of social capital and expands on why the use of the metaphor is thought so dubious when applied to faith groups:

"..the problem with metaphors is that their boundaries set the shape and tone of the thing they relate to. So when we think about faiths in social capital terms, we think about what capital they produce. More than a helpful metaphor, social capital is revealed as a highly normative concept, one which commodifies its subjects and renders their relationships mere lubricants for the really important business of market-making."

How could the worthy "social" get mixed up with a money-grubbing word like "capital"?

Later sections are dominated by a railing against the evils of markets and "neo-liberalism". However, the final chapter introduces more measured discussion, focusing on an alternative approach to assessing faith communities' contribution, examining what they do "as they see it themselves".

Members of faith communities might well dislike being seen as "contributors" to a country's social capital — just another section of the "voluntary sector". There is more to "faith" than that. But, apart from the purely spiritual, the social work of faith groups is of vital importance and value. It ranges from night shelters, food banks, credit unions, housing trusts, legal advice, street patrols and support groups to serving hot Christmas dinners to the lonely or the homeless. Does it really matter so much if "market" language is used (as one of many ways) to describe it? Is the vocabulary of the market and competition really so distasteful and dangerous?

Some interesting points are made in the book and much of it is a stimulating read. A little less straying into the political arena, and less naive commentary on the financial crisis, would have provided better balance and allowed more room for analysis of whether the perceived threats to faith communities posed by the social capital metaphor are of real substance. And perhaps, just perhaps, the author has allowed himself to get too exercised about one word…capital!

Roger McCormick is the Director of the Sustainable Finance Project at London School of Economics and Political Science, and a Visiting Professor at LSE. He is also the author of *Legal Risk in the Financial Markets* (Oxford University Press, 2nd ed. 2010). He retired from full-time private legal practice in 2004, having practised law in the City of London for nearly thirty years. Read reviews by Roger.